



## **Trade Adjustment Assistance Program for Agriculture Aquaculture and Fishing**

### **Overview**

Under the Trade Adjustment Assistance (TAA) for Farmers Program, the U.S. Department of Agriculture helps producers of agricultural commodities adjust to competition from imports by providing them technical assistance, cash payments and opportunities for job retraining. Certain fishermen and aquaculture producers may also qualify for TAA benefits.

For a commodity to be approved for payments, producers must petition the Administrator of the Foreign Agricultural Service. Approval of the commodity will occur if the Administrator determines that producer prices in the most recent marketing year were 80 percent or less than the average of prices in the preceding 5 marketing years, and that increases in imports of “like” or “directly competitive” commodities contributed importantly to the decline in prices.

Subtitle C of Title 1 of the Trade Act of 2002 (P.L. 107-210) established TAA. The Trade Act authorizes TAA funding of up to \$90 million for each fiscal year from 2003 through 2007. This appropriation is used for both the cash payments and the technical assistance

provided by the Extension Service. Employment services and education benefits are provided by separate funds administered by the Department of Labor.

### **Petition Process**

A group of agricultural commodity producers or fishermen in the United States, or their authorized representatives, may file a petition for TAA. For fishermen to qualify, their catch must compete with imports of a “like” or “directly competitive” commodity produced by aquaculture. Petitioners will be approved if the Administrator determines that the commodity eligibility requirements have been satisfied.

The commodity petition form FAS-930 is available on the Internet at: <http://www.fas.usda.gov/itp/taa/resource.htm>, or [www.sc.egov.usda.gov](http://www.sc.egov.usda.gov). The petition can also be requested by phone at (202) 720-2916; or by writing to: USDA, Foreign Agricultural Service, Trade Adjustment Assistance, STOP 1021, 1400 Independence Avenue, SW, Washington, DC 20250-1021; or by e-mail at: [trade.adjustment@fas.usda.gov](mailto:trade.adjustment@fas.usda.gov). Petitions must be submitted to USDA's Foreign Agricultural Service (FAS) at this address

between August 15 and January 30 of the following year.

### **Petition Re-certification**

Previously certified petitions do not need to be resubmitted in subsequent years — they are automatically reviewed for renewal based on their original terms and updated market conditions. However, original petitioners may, if they wish, submit comments relevant to petition re-certification.

### **Application Process for Individual Benefits**

After a commodity petition is approved or recertified by FAS, all producers of the commodity in the impacted area may apply for TAA benefits at the nearest USDA Farm Service Agency (FSA) office. Applications may be submitted in person. However, if applicants first complete certain identification and authorization forms at the FSA office, they may submit their application by fax or electronically. Applicants do not need to be members of the group of producers or organization that filed the TAA petition. Producers should contact their local FSA office if they have questions regarding their specific eligibility.

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The TAA application form, FSA-229, "Application for Trade Adjustment Assistance for Individual Producers," is available at [www.sc.egov.usda.gov](http://www.sc.egov.usda.gov) and at FSA offices.

Applicants for TAA benefits must document that they produced the agricultural commodity in the impacted area and during the approved marketing period established by the petition. Fishermen must document that they marketed fish in the impacted area during the approved period.

### **Application Dates and Deadlines**

FAS will announce a 90-day period during which producers may apply for benefits under each approved petition. This 90-day period generally begins soon after FAS announces the certification (or re-certification) of a petition. For an application to be approved, the local FSA office must receive the application and production evidence no later than the last day of the application period. Applications received late will not be approved for benefits.

Documentation of AGI, net income, and of meeting the technical training requirement must be submitted not later than September 30 of the fiscal year in which the petition was announced.

### **Technical Assistance**

All TAA applicants receive, at no cost, technical assistance from USDA's Cooperative, State, Research, Education and Extension Service (CSREES). Technical

Assistance may include:

- information regarding the feasibility and desirability of substituting one or more alternative commodities for the adversely affected commodity; and
- technical assistance that will improve the competitiveness and marketing of the adversely affected commodity.

Assistance is usually provided through group presentations and technical publications. CSREES technical training is generally only available during a 180-day period that begins the first day of the application period for a commodity. Training for individuals after the 180-day period is generally not provided. Applicants should make every effort to receive their training during the 180-day period because training is a prerequisite for receiving a cash payment. CSREES may also offer technical assistance programs to producers in subsequent years if petitions are recertified. Attending technical training once ordinarily satisfies the training requirement for payment eligibility under the petition for subsequent years.

### **Cash Payment**

TAA provides eligible producers a cash payment based on a formula, which provides partial compensation to producers for the decline in market prices below the 80 percent threshold required for TAA petition approval. The payment rate initially announced may be reduced based on the total number of commodities and

producers approved for payment. This may be necessary because TAA funding is limited to \$90 million for each fiscal year.

The maximum amount a producer can receive in any Federal fiscal year under TAA is \$10,000, even if the producer is receiving cash benefits for more than one commodity. Further, the total payment a producer receives under this program, combined with counter-cyclical payments made under P.L. 107-71, may not exceed \$65,000 during a single crop year.

For example, if a producer receives a total of \$65,000 in counter-cyclical payments during a crop year, the producer would be ineligible for TAA payments for that same crop year. However, a producer who had received \$60,000 in counter-cyclical payments for a crop year would be eligible for TAA payments up to \$5,000.

### **Eligibility for a Cash Payment**

Producers must certify to all of the following criteria to be eligible for a cash payment.

**Adjusted Gross Income (AGI):** Applicants must sign form CCC-526 to certify that the average adjusted gross income of the individual or entity for the three prior years was \$2.5 million or less. Applicants with average gross income exceeding \$2.5 million may be eligible if at least 75 percent of their income was derived from farming, ranching, or forestry operations.

*Trade Adjustment Assistance Program for Agriculture, Aquaculture and Fishing***Net Farm or Fishing Income:**

Applicants must provide documentation of having less net farm income (or less net fishing income) for the tax year associated with their application than they had in the petition's "pre-adjustment" year. The "pre-adjustment year" is defined as the tax year associated with the last marketing year of the five-year base period that was used to calculate the petition's historical average price. Net farm or fishing income must be documented by either submitting copies of tax, forms or by having income-related documents submitted by a certified public accountant or attorney. Commonly, the forms used are Internal Revenue Service Schedules C, C-EZ, or F, Form 1065 for partnerships, or Form 1120 for corporations. A producer may not certify net income without providing documentation.

**Compliance with Highly Erodible Land and Wetland Conservation:** Applicants associated with a farm must be in compliance with the highly erodible land and wetland conservation provisions of the Food Security Act of 1985, as amended.

**Evidence of Training:** Applicants must provide documentation of having received the technical assistance that was provided by CSREES. For an applicant who has received technical assistance in the prior year, evidence that the applicant has been in contact with CSREES to receive assistance may be sufficient for subsequent-year payment eligibility.

**Job Retraining Benefits**

Producers who receive a cash payment are eligible to apply to the Department of Labor (DOL) for job retraining benefits. DOL rules and regulations apply regarding the extent and range of benefits and services available to applicants under the program.

**For More Information**

Additional information on TAA is available at local FSA offices, and on FAS's Web site at: [www.fas.usda.gov](http://www.fas.usda.gov).

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